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Orrick: Brightline West Project Closes $2.5 Billion in Private Activity Bonds for High-Speed Rail Line Between Southern California and Las Vegas

Orrick served as bond counsel to the California Infrastructure and Economic Development Bank and the Director of the State of Nevada Department of Business and Industry in connection with $2.5 billion of senior subordinated bonds for the financing of DesertXpress Enterprises, LLC's ("Brightline West") privately owned and operated Brightline West high-speed rail project connecting Southern California and Las Vegas. The bonds utilized a portion of the $5.5 billion in tax-exempt private activity bond volume cap allocations received to date from the United States Department of Transportation for the project.

THE COMPANY
Brightline West is affiliated with Brightline Holdings LLC ("Brightline Holdings"), which is indirectly owned primarily by funds managed by an affiliate of Fortress Investment Group LLC ("Fortress"), and owns transportation and real estate assets, including Brightline Trains Florida LLC. Brightline Holdings was formed in 2012 to develop America's first privately funded major intercity passenger rail service in over a century. Its mission is to bring convenient, comfortable and environmentally friendly passenger train travel to the United States market, in line with the success of similar high-speed rail systems globally. Brightline Florida, a subsidiary of Brightline Holdings, owns and operates a 235-mile passenger rail line currently operating from Miami to Orlando.

THE IMPACT
The project aims to transform transportation in the region with fully electric trains capable of reaching speeds up to 186 miles per hour, enabling the 218-mile trip between Rancho Cucamonga, California and the Las Vegas, Nevada to be completed in approximately two hours. Brightline has secured all key rights-of-way necessary to construct the railroad under long-term agreements, including leases, licenses and easements, with the states of Nevada and California and the federal government for passenger rail access to the existing I-15 corridor. The rail system will connect Greater Los Angeles, the second largest metropolitan area in the United States, with Las Vegas, one of the most visited cities in the world, promising widespread benefits for climate goals, job creation and enhanced economic competitiveness for both Nevada and California. "Connecting Las Vegas and Southern California will provide wide-spread public benefits to both states, creating thousands of jobs and jumpstarting a new level of economic competitiveness for the region," said Fortress co-founder, Wes Edens.

THE TEAM
Orrick's John Wang led the team that included Jesse Albani, Sean Yates, Rich Moore, and Orlando Zaragoza.

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